

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**SB 93 - HB 82**

February 2, 2015

**SUMMARY OF BILL:** Removes the authorization for the Commissioner of Financial Institutions to use a national multi-state automated licensing system (NMLS) as an agent for channeling information that the Commissioner is authorized to use pursuant to the Flexible Credit Act (Public Acts 2014, Public Chapter 969).

**ESTIMATED FISCAL IMPACT:**

**NOT SIGNIFICANT**

Assumptions:

- The Department of Financial Institutions reports that the Federal Bureau of Investigations (FBI) has not approved the NMLS as a channeling agent of FBI criminal history record information between the states and the FBI for persons other than mortgage loan originators. Therefore, the NMLS cannot currently be used as a channeling agent for criminal history record information between the Department and the FBI under the Flexible Credit Act.
- Further, the FBI has informed the Department that, because the Act references the NMLS as a channeling agent, the Department will not have authorized access to FBI criminal history record information for Flexible Credit Act applicants through the normal Tennessee Bureau of Investigation (TBI) channels, where criminal history record checks would otherwise be channeled through the TBI to the FBI with results being returned through the TBI to the Department.
- The proposed legislation would remove the reference to the NMLS as a channeling agent and, therefore, facilitate the means for the Department to conduct, through the TBI and FBI, criminal history record checks as originally intended by the Flexible Credit Act.
- The number of background checks will not change from the number previously estimated as a result of passage of the Flexible Credit Act.

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## **IMPACT TO COMMERCE:**

### **NOT SIGNIFICANT**

#### Assumptions:

- Pursuant to Tenn. Code Ann. § 45-12-106(b)(2), all costs incurred in conducting the criminal history record checks are to be paid by applicants.
- The proposed legislation is constructed to facilitate the conduct of such criminal history record checks as originally intended by the Flexible Credit Act. Any additional impact on business revenue and expenditures will be not significant because there is no change in the number of background checks previously estimated for the Act.
- Any impact on the number of private sector jobs is estimated to be not significant.

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink, appearing to read "Jeffrey L. Spalding", written in a cursive style.

Jeffrey L. Spalding, Executive Director

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